STATEMENT OF
CHAIRMAN JULIUS GENACHOWSKI

Re: *Schools and Libraries Universal Service Support Mechanism*, CC Docket No. 02-6, *A National Broadband Plan for Our Future*, GN Docket No. 09-51

When our schools and students win, our country wins – because education is at the core of the American dream and central to a thriving American economy.

And so today we implement yet another key recommendation of the National Broadband Plan, this one involving broadband for schools and libraries.

Today's Order delivers a substantial modernization and upgrade of the E-rate program. Bringing higher-speed broadband and digital tools to our schools, libraries, and communities will provide economic opportunity now and in the future.

At connected schools, students can access the best libraries in the country, the best learning tools, and the best teachers, wherever they are. A high-school student in a rural town without a calculus teacher can learn calculus remotely, or physics, or Mandarin. Distance learning isn't a substitute for education reform, but it can enhance reform; it can help schools and students in struggling communities have real opportunity, real access, to the best education can offer.

Today's Order recognizes that digital literacy is essential in a digital economy, and that connected schools and libraries are a requirement for digital literacy. Study after study shows the risk we face in a global economy if we fall behind on education, particularly the STEM subjects – science, technology, engineering and math.

We fail our students if we don't teach them basic digital skills. Job postings are increasingly online only, and increasingly require not only online applications but online skills. Broadband in schools is necessary to prepare our students for a 21st century economy.

And what's true of our economy is also true of our democracy. Digital skills underpin full participation in all aspects of our society.

The National Broadband Plan laid out a vision of broadband-enabled, cutting-edge learning inside and outside the classroom.

But the Plan also found that basic broadband connectivity in schools is too slow to keep up with the innovative high-tech tools that are now essential for a world-class education. Almost 80 percent of E-rate recipients say they need faster connections to meet the current speed and capacity demands of schools and libraries. Some schools and libraries still rely on dial-up connections, and many have so-called "broadband" connections that are slower than the average American household's DSL or cable modem service. These connections are far too slow to meet the bandwidth demands of many of today's applications, much less tomorrow's.

Today's Order is fundamentally about empowering schools and libraries. It gives schools and libraries more choices for broadband, enabling them to pick among the full range of options in the marketplace, including leasing low-cost capacity from fiber optic networks that have already been deployed but are not yet being used, and lighting this dark fiber.

The goal is – and I believe the result will be – more bang for the E-rate buck; faster

speeds at lower costs. This is a major step toward the Broadband Plan's goal of affordable access to super-high-speed broadband at anchor institutions in every community across the country.

We're not just empowering schools to help students, but also to help their communities. Today's Order gives schools the flexibility to allow their communities to use E-rate-funded broadband after school hours. Think of these as "School Spots" that can provide online access for job searching or government services for people who don't otherwise have access.

Here's an example of what that can mean. Earlier this year, West Virginia took advantage of the provisional waiver we had granted and allowed community access to E-rate facilities for after-hours digital training and computer labs. During the April 2010 Upper Big Branch coal mining disaster, a West Virginia school, whose students were on spring break, provided access to its facilities for use as a government and media command center during the search and rescue efforts.

Today's Order also embraces the real potential of *mobile* broadband for schools and students, and the promise of digital textbooks. Through a new pilot program, it opens the door for students who now carry 50 pounds of outdated textbooks in their backpacks to instead use digital textbooks or laptops with up-to-date materials and cutting-edge interactive learning tools.

Early experimentation demonstrates the potential of on-the-go learning. In Onslow County, North Carolina, in an experimental program supported by Qualcomm, high school students were given smartphones with 24/7 Internet access. The students who were taught math on these learning devices were more likely to achieve proficiency in Algebra than classmates who had the same teacher but weren't given phones.

Consistent with the recommendations of Senators Rockefeller and Snowe, and Congressman Markey – long-time leaders of connecting classrooms and champions of E-rate – today's Order indexes to inflation the cap on the E-rate program. This is an idea with bipartisan support, implemented with fiscal responsibility. Earlier this month, the Commission recovered and reserved surplus universal service funds for this purpose, meaning that today's decision will not impose any new burden on American consumers.

The cap – put in place when E-rate was still an experiment – has not moved for almost 15 years. Today we know that E-rate works, and that the needs of schools and students significantly exceed what's available. In 1997, a school that needed basic connectivity to the Internet could get a phone line and dial-up Internet service for approximately $25 per month. Today, a school that needs basic connectivity to the Internet at 10 Mbps – the median speed used by E-rate schools and libraries in a survey conducted earlier this year – likely pays at least $500 per month for that service, plus the costs of necessary internal connections.

We could have turned our back on the real needs of students and schools, and the real benefits of E-rate to our economy. Instead, we've taken a fiscally responsible approach that provides much-needed support for our schools and students without growing the Universal Service Fund.

I thank the staff for their work on this item. E-rate has been a success, an example of what can happen when Congress and the FCC have a strategic plan around Internet access, and when it's well implemented by public servants at the federal, state, and local level. This strong Order substantially upgrades and modernizes the E-rate program, creating the conditions for E-rate's continued success in the broadband age.